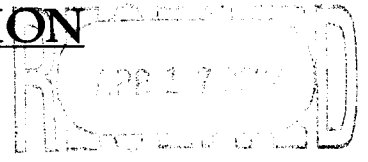


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION



BRIDGE STREET

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02470A

WHITE MOUNTAIN WATER COMPANY

~~5809 FARNSWORTH RANCH RD.~~

~~SHOW LOW AZ 85901~~

P.O. Box 1760

Payson, AZ 85547

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

4-19-02 cm

SCANNED

COMPANY INFORMATION

Company Name (Business Name) White Mountain Water Co

Mailing Address P.O. Box 1760
(Street)

Payson Az 85547
(City) (State) (Zip)

928-468-8558 928-601-3497
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address Jon Cheney @ hotmail. com

Local Office Mailing Address _____
(Street)

(City) (State) (Zip)

928-537-8600
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Jon Cheney President/Operator
(Name) (Title)

(Street) (City) (State) (Zip)

928-468-8558 928-601-3497
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Same T
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Jon Cheney
(Name)

P.O. Box 1760 Payson, AZ 85547
(Street) (City) (State) (Zip)

928-468-8558 928-601-3497
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: N/A
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input checked="" type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

White Mountain Water

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	2140	2140	-0-
302	Franchises	—	—	—
303	Land and Land Rights	8,000	—	8000
304	Structures and Improvements	1719	1718	3 3
307	Wells and Springs	31362	19910	11452
311	Pumping Equipment	28889	26122	2767
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	39,900	26404	13496
331	Transmission and Distribution Mains	139589	135350	4239
333	Services	39534	38097	1437
334	Meters and Meter Installations	4552	4530	22
335	Hydrants	28000	28000	-0-
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	475	475	-0-
340	Office Furniture and Equipment	—	—	—
341	Transportation Equipment	—	—	—
343	Tools, Shop and Garage Equipment	—	—	—
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	383	383	-0-
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	—	—	—
348	Other Tangible Plant	—	—	—
	TOTALS	324543	283,127 283,127	41416

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

White Mtn Water

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	2140	0	0
302	Franchises	-	-	-
303	Land and Land Rights	8000	-	-
304	Structures and Improvements	1719	-	0
307	Wells and Springs	31362	1.55	487
311	Pumping Equipment	28829	1.15	322
320	Water Treatment Equipment	-	-	-
330	Distribution Reservoirs and Standpipes	39,900	1.48	592
331	Transmission and Distribution Mains	139589	2.246	3135
333	Services	39534	2.3	910
334	Meters and Meter Installations	4552	1.63	74
335	Hydrants	28000	0	0
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	-425-	0	0
340	Office Furniture and Equipment	-	-	-
341	Transportation Equipment	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	383	0	0
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	324,543		5520

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

White Mt Water

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 842	\$ 27595
134	Working Funds		
135	Temporary Cash Investments	105 000	
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 105 842	\$ 27595
	FIXED ASSETS		
101	Utility Plant in Service	\$ 324,544	\$ 324544
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	277 607	283 127
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 46937	\$ 41417
	TOTAL ASSETS	\$ 152 779	\$ 69012

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME White Mt. Water

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest	7109	
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 7109	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 75202	\$ -0-
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	124432	124432
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 124432	\$ 124432
	TOTAL LIABILITIES	\$ 199634	\$ 124432
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 35000	\$ 35000
211	Paid in Capital in Excess of Par Value	49232	49232
215	Retained Earnings	(131087)	(139652)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ (46855)	\$ (55420)
	TOTAL LIABILITIES AND CAPITAL	\$ 152779	\$ 69012

COMPANY NAME White Mtn Water

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 86,038.59	\$ 87,031.04
460	Unmetered Water Revenue		
474	Other Water Revenues	520.00	355.00
	TOTAL REVENUES	\$ 86,558.59	\$ 87,386.04
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$ 21,688.40
610	Purchased Water		
615	Purchased Power	7752.70	6243.55
618	Chemicals		
620	Repairs and Maintenance	3209.67	854.25
621	Office Supplies and Expense	297.00	104.97
630	Outside Services	20,923.98	48,643.95
635	Water Testing		914.64
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	1042.00	1992.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		45.00
675	Miscellaneous Expense		
403	Depreciation Expense	15,144.00	5520
408	Taxes Other Than Income		
408.11	Property Taxes	2,438.45	2835.71
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 50,807.80	\$ 88,812.99 88,842.47
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	7109.30	7109.30
	TOTAL OTHER INCOME/EXP	\$ (7109.30)	\$ (7109.30)
	NET INCOME/(LOSS)	\$ 28,641.49	\$ 8565.73 (8565.73)

COMPANY NAME

White Mt Water

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	12/85 renewed on 4/1/93			
Source of Loan	San Cheney			
ACC Decision No.				
Reason for Loan	operating cost			
Dollar Amount Issued	\$ 85,000	\$	\$	\$
Amount Outstanding	\$ 75,202.30	\$	\$	\$
Date of Maturity	renewed annually			
Interest Rate	10%			
Current Year Interest	\$ 7,109.30	\$	\$	\$
Current Year Principle	\$ 75,202.30	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ - 0 -

Meter Deposits Refunded During the Test Year

\$ - 0 -

COMPANY NAME White Mt. Water

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-51177	20	130	8"	2"
55-581527	5	25	6"	2"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	1	33	
15	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
65000	2	5000	1

STATISTICAL INFORMATION

Total number of customers 151

Total number of gallons sold 13,224,690 gallons

COMPANY NAME White Mtn Water YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported Sub "S" corp none
Estimated or Actual Federal Tax Liability na

State Taxable Income Reported ns
Estimated or Actual State Tax Liability ns

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances -
Amount of Gross-Up Tax Collected -
Total Grossed-Up Contributions/Advances -

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

4/12/02
DATE

Jon Cheney
PRINTED NAME

President
TITLE

COMPANY NAME White Mtn Water Co YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 2,835.71

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Navajo</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Gen. Cheney</u>
COMPANY NAME	<u>White Mountain Water Co</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

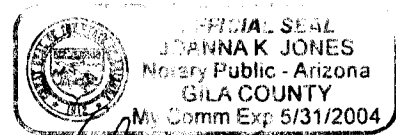
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 92,378.32

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 4,992.28
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

928-468-8558

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

16

DAY OF

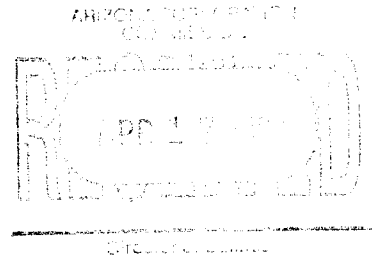
COUNTY NAME	<u>Gila</u>
MONTH	<u>Apr. 1</u>
	<u>2002</u>

(SEAL)

Joanna K. Jones
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5-31-02

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <i>Navajo</i>	
NAME (OWNER OR OFFICIAL) <i>Don Cherry</i>	TITLE <i>President</i>
COMPANY NAME <i>White Mountain Water Co</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<i>12</i>	<i>31</i>	<i>2001</i>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <i>92,378.32</i>
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ *4,992.28*
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X *Don Cherry*
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

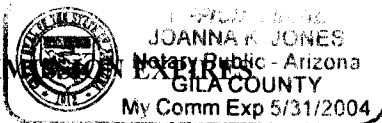
<i>16</i>

DAY OF

NOTARY PUBLIC NAME <i>Joanna K Jones</i>	
COUNTY NAME <i>Gila</i>	
MONTH <i>April</i>	2002

(SEAL)

MY COMMISSION EXPIRES



X *Joanna K Jones*
SIGNATURE OF NOTARY PUBLIC

© CURRENT INC. • TO PREORDER 1-800-204-2244 • NATURE'S MAJESTY

WHITE MOUNTAIN WATER COMPANY

541

602-537-8600
HC 31 BOX 138
SHOW LOW, AZ 85901

5/1/01 19

91-2/1221

Pay to the order of Navajo County Treasurer \$ 1,266.17
One thousand, two hundred and sixty-six and 17/100 Dollars

BANK ONE, ARIZONA, NA
SHOW LOW OFFICE (037)
SHOW LOW, ARIZONA

For 929-71-000

Don Cherry MP

⑆ 1 2 2 1 0 0 0 2 4 1 0 5 4 1 0 0 9 4 4 1 5 4 4 4 ⑈

⑆ 0 0 0 0 1 2 6 6 1 7 ⑆

929-71-000

© CURRENT INC. • TO PREORDER 1-800-204-2244 • NATURE'S MAJESTY

WHITE MOUNTAIN WATER COMPANY

561

602-537-8600
HC 31 BOX 138
SHOW LOW, AZ 85901

10/31/01 19

91-2/1221

Pay to the order of Navajo County Treasurer \$ 1,569.54
One thousand, five hundred and sixty-nine and 54/100 Dollars

BANK ONE, ARIZONA, NA
SHOW LOW OFFICE (037)
SHOW LOW, ARIZONA

For _____

Don Cherry MP

⑆ 1 2 2 1 0 0 0 2 4 1 0 5 6 1 0 0 9 4 4 1 5 4 4 4 ⑈

⑆ 0 0 0 0 1 5 6 9 5 4 ⑆

COMMUNITY FIRST BANK >09130000366
FARGO, N. DAKOTA
280043990 2004 11 11 000000000000

NOV 18
122100024
BANK ONE, ARIZONA, N.A.
PHOENIX, ARIZONA

DO NOT WRITE
OR SIGN BELOW THIS LINE
ORDER OF
FIRST BANK
FARGO, AZ
DEPOSIT ONLY
COMMUNITY TREASURER
09130000366
280043990
2004 11 11
11 000000000000

COMMUNITY FIRST BANK >09130000366
FARGO, N. DAKOTA
400200821 11-15-01 11 000000000000

NOV 16
122100024
BANK ONE, NA
PHOENIX, ARIZONA

DO NOT WRITE
OR SIGN BELOW THIS LINE
PAY TO THE ORDER OF
COMMUNITY FIRST BANK
FARGO, AZ
DEPOSIT ONLY
COMMUNITY TREASURER
09130000366
400200821
11-15-01
11 000000000000